

## Message Text

LIMITED OFFICIAL USE

PAGE 01 BUDAPE 02934 261253Z  
ACTION EB-08

INFO OCT-01 EUR-12 ISO-00 SP-02 ICA-11 AID-05 NSC-05  
TRSE-00 SS-15 STR-07 OMB-01 CEA-01 L-03 CIAE-00  
INR-10 NSAE-00 PA-01 /082 W  
-----062484 271201Z /45

R 260707Z JUL 78  
FM AMEMBASSY BUDAPEST  
TO SECSTATE WASHDC 2019  
INFO AMEMBASSY LONDON  
USDOC WASHDC

LIMITED OFFICIAL USE BUDAPEST 2934

E.O.11652: NA  
TAGS: EEWT HU  
SUBJECT: MEW RABA AXLE SALE UNDER DISCUSSION WITH GM

REF: (A) BUDAPEST 2744 (NOTAL) (B) USDOC 12929 (NOTAL)

1. GENERAL MOTORS REGIONAL REP CALLED EMBASSY FROM LONDON  
JULY 21 TO INFORM US THAT RABA GENERAL DIRECTOR HORVATH WILL  
LEAD GROUP TO VISIT GM TRUCK AND COACH DIVISION IN DETROIT  
AUG 1 TO DISCUSS PROPOSED SALE OF AS MANY AS 60,000 AXLE  
UNITS FOR GM MEDIUM-SIZE VANS AND TRUCKS. VALUE OF SALE  
COULD BE IN RANGE OF \$30-60 MILLION. PROPOSED SALE SEPARATE  
FROM EATON-RABA CONTRACT REPORTED REFTEL (A), BUT EATON MAY  
BE BROUGHT INTO THESE DISCUSSIONS ALSO.

2. GM IN GREAT BRITAIN HAS COMPLETED TESTING RABA HEAVY  
AXLES DESIGNED WITH GM ASSISTANCE AND HAS BEGUN PURCHASING  
AXLES FOR USE IN BEDFORD TRUCKS. (COMMENT: WE BELIEVE THIS  
IS PROGRAM MENTIONED BY ROCKWELL REP IN PARA 5 REFTEL (B).)

3. KRAUSE SAID RABA RAN LATE IN GETTING PRODUCTION  
LINES INTO OPERATION FOR BEDFORD SALE; HE IS WORRIED  
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WHETHER RABA HAS CAPACITY TO TAKE ON LARGE NEW ORDER  
FROM GM. COMMENT: KRAUSE'S CONCERN IS UNDERSTAND-  
ABLE, SINCE RABA HAS RECENTLY TAKEN ON MAJOR NEW  
ORDERS FROM EATON, INTERNATIONAL HARVESTER, AND GM'S  
UK TRUCK DIVISION. WE EXPECT RABA WOULD BE CAREFUL  
TO PROTECT ITS PRESENT EXCELLENT REPUTATION FOR RELIABILITY  
BY NOT TAKING ON ORDERS IT COULD NOT MEET, BUT THERE IS

NO QUESTION A LARGE SALE SUCH AS KRAUSE DESCRIBED WOULD  
STRETCH RABA'S CAPACITY. END COMMENT.

4. MEMCON FOLLOWS.  
EISENSTADT

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRUCKS, SPARE PARTS, SALES, GROUND VEHICLES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 26 jul 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978BUDAPE02934  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780308-0124  
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**From:** BUDAPEST  
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**Message ID:** b144d76b-c288-dd11-92da-001cc4696bcc  
**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
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**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 BUDAPEST 2744  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 05 may 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** N/A  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1872444  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** MEW RABA AXLE SALE UNDER DISCUSSION WITH GM  
**TAGS:** EEWT, HU  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/b144d76b-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
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20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014